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December 30, 1999

Colleen E. Michuda
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Mr. Kevin Turner
Environmental Scientist, DSC
U.S. EPA
c/o Crab Orchard National Wildlife Refuge
8588 Route 148
Marion, IL 62959

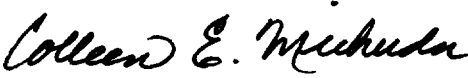
**Re: Revised License Agreement for stormwater and drainage improvements at
intersection of Terminal Railroad and Dead Creek**

Dear Kevin:

Enclosed are copies of a letter and revised "Right of Entry License Agreement" that I sent to Shawn Canavan on December 23, 1999, regarding Solutia's access to Terminal Railroad property. I had previously sent copies to you at your Cargill Road address, but you may not have received them. Please call if you have any questions. As of today, I have not yet received a response from Terminal.

Very truly yours,

Thompson Coburn LLP

By 
Colleen E. Michuda

CEM/gao

Enclosure

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December 23, 1999

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EMAIL cmichuda@
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Mr. Shawn T. Canavan
Railroad Realty Services, Inc.
700 North Second Street, 5th Floor
St. Louis, MO 63102

**Re: License Agreement for stormwater and drainage improvements at intersection of
Terminal Railroad and Dead Creek**

Dear Shawn:

Enclosed please find two originals of a revised "Right of Entry License Agreement" to permit Solutia Inc. to access Terminal Railroad ("Railroad") property in St. Clair County, Illinois. As you know, Solutia is requesting access to Railroad property at the intersection of the Railroad and Dead Creek for purposes of removing and replacing the existing culverts. This revised License Agreement incorporates many of the terms and conditions set forth in the Railroad's proposed License Agreement forwarded to Solutia on December 9, 1999.

As we have discussed, Solutia cannot agree to the Railroad's December 9th proposed agreement without some revisions. I realize you may have concerns with this revised agreement, but I urge you to at least consider it, as it does contain many of the Railroad's suggested provisions. As you know, if Solutia and the Railroad cannot reach a voluntary agreement regarding access, EPA will be forced to issue an order requiring access.

Because the implementation of the stormwater and drainage improvements in and around Dead Creek are scheduled to begin in January, 2000, please respond to this letter as soon as possible. If you have questions, please contact Kevin Turner of EPA at 618-332-2518. Thank you for your timely consideration to this matter.

Very truly yours,

Thompson Coburn LLP

By *Colleen E. Michuda*
Colleen E. Michuda

Mr. Shawn T. Canavan
December 23, 1999
Page 2

CEM/gao

Enclosures

cc: Joseph G. Nassif (w/o enc.)
D. Michael Light (w/o enc.)
Kevin Turner (w/enc.)
Thomas Martin (w/enc.)

RIGHT OF ENTRY LICENSE AGREEMENT

THIS RIGHT OF ENTRY LICENSE AGREEMENT ("License") is made and entered into as of this ____ day of _____, _____, by and between **TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS**, a Missouri corporation ("Railroad"), and **SOLUTIA INC.**, a Delaware corporation ("Licensee").

IT IS MUTUALLY AGREED BY AND BETWEEN RAILROAD AND LICENSEE AS FOLLOWS:

1. **Grant of License.** In consideration of the covenants and agreements herein contained to be by Licensee kept, observed and performed, and subject to the terms hereof and during the term of this License only, Railroad hereby grants to Licensee the nonexclusive right to enter upon and have ingress to and egress from the property, which is depicted and/or described on Exhibit A attached hereto and incorporated herein by reference (the "Property"), for the purpose of performing the work described in Exhibit B attached hereto and incorporated herein by reference (collectively, "Licensee's Work"). Licensee shall have no right to enter the Property except for the purposes expressly provided for in this License.
2. **Term.** The term of this License shall commence on **January 2, 2000** (the "Commencement Date") and shall continue until **June 1, 2000**, unless sooner terminated as herein provided or at such time as Licensee has completed Licensee's Work on the Property, whichever is sooner. Licensee agrees to notify the Railroad Representative (as defined below) in writing when it has completed Licensee's Work on the Property.
3. **Notice.** All notices, demands, requests, consents or approvals which may or are required to be given by either party to the other shall be in writing and shall be deemed given when delivered personally or deposited in the United States Certified or Registered Mail, postage prepaid or when received by facsimile transmission, to the following:

Railroad:

Terminal Railroad Association of St. Louis
Attn: C.R. (Rick) McQueen
700 North Second Street - 2nd Floor
St. Louis, Missouri 63102
Tel: (314) 539-4724
Fax: (314) 539-4729

Licensee:

Solutia Inc.
Attn: D. Michael Light
Manager – Remedial Projects
575 Maryville Centre Drive
St. Louis, Missouri 63141
Tel: (314) 674-1617
Fax: (314) 674-8957

or to each other address as either party may designate from time to time. All consents and approvals provided for herein must be in writing to be valid. **In the event of an emergency requiring the Railroad's immediate attention or action, Licensee is directed to contact Railroad's Yardmaster on duty (24 hours) at (618) 451-8411.** Notwithstanding the potential availability of Railroad's Yardmaster, Licensee remains obligated to provide written notice in the manner provided for herein and in accordance with the time frames set forth in this License.

4. **Railroad Representative.** In connection with this License, the "Railroad Representative" shall be: C.R. (Rick) McQueen, Railroad's Manager – Engineering Services and Administration.

5. **Limitation and Subordination of Rights Granted.** The grant of right hereunder is subject and subordinate to the prior and continuing right and obligation of Railroad to use and maintain its entire property and the Property, including, without limitation, the right and power of Railroad to construct, maintain, repair, renew, use, operate, change, modify or relocate railroad tracks, signal, communication, fiber optics or other cables, wirelines, pipelines and other facilities upon, and/or any other permitted use, along or across any or all parts of the Property, all or any of which may be freely done at any time or times by Railroad, in Railroad's sole discretion, without liability to Licensee or to any other party for compensation or damages. Railroad makes no representation or warranty concerning its title, interest and/or rights with respect to the Property. Licensee acknowledges and agrees that it has relied solely upon its own judgment, investigation and due diligence (including, but not limited to, review of matters of title or record and of fact, with the advice and assistance of counsel, in making and entering into this License, and there is no implied or express covenant, agreement, representation of warranty with respect to Railroad's ability to grant any right (including, but not limited to, the rights granted in Section 1 hereof) to Licensee hereunder. The grant of right hereunder is also subject to all outstanding superior rights (including, but not limited to, those grants, if any, in favor of other licensees and lessees of Railroad's property, and others) and the right of Railroad to renew and extend the same, and is made without covenant of title or covenant for quiet enjoyment.

6. **Licensee To Bear Entire Expense.** Licensee shall bear the entire cost and expense incurred in connection with Licensee's Work.

7. **Notice of Commencement of Licensee's Work.** Licensee agrees to notify the Railroad Representative at least 48 hours in advance of Licensee first commencing its Work. Licensee agrees to coordinate performance of this Work with the Railroad Representative.

8. Performance of Licensee's Work.

(a) Licensee's Work shall be prosecuted diligently to completion and shall be performed during normal working hours and at no other time without the prior written consent of the Railroad Representative.

(b) Licensee agrees to maintain and/or obtain any necessary certifications, licenses or approvals and file any required reports, tariffs or notices needed to effectuate the terms of this License.

(c) Safety of personnel, property, rail operations and the public is of paramount importance in the prosecution of Licensee's Work. Licensee shall use only such work methods as are consistent with safety, both as concerns Licensee, Licensee's officers, agents and employees, Railroad's officers, agents, employees and the property of Railroad and the public in general. Licensee shall keep the job site free from safety and health hazards and ensure that its employees are competent and adequately trained in all safety and health aspects of the job. Licensee shall have proper first aid supplies available on the job site so that prompt first aid services can be provided to any person that may be injured on the job site. Licensee shall promptly notify Railroad of any U.S. Occupational Safety and Health Administration reportable injuries occurring to any person that may arise during the work performed on the job site. Licensee shall have a non-delegable duty to control its employees, while they are on the Property or any other property of Railroad, to be certain they do not use, be under the influence of, or have in their possession any alcoholic beverage, drug, narcotic or other substance that may inhibit the safe performance of work by the employee. All heavy equipment brought onto the Property shall be equipped with audible back-up warning devices. When not in use, Licensee's machinery and materials shall be kept at least 50 feet from the centerline of Railroad's nearest track, and there shall be no vehicular crossings of Railroad's tracks except at existing, open, public crossings.

(d) Licensee shall provide each and every person who works on the Property in connection with any of Licensee's Work with a copy of the safety notice attached hereto as Exhibit C and shall cause each and every such person to review said notice and comply with the instructions therein. Licensee shall further provide each and every foreman and supervisor who supervises or directs any of Licensee's Work on the Property with a copy of this License and shall cause each and every such foreman and supervisor to review and comply with this License in its entirety.

9. Non-Interference. Licensee's Work shall cause no interference with the constant, continuous and uninterrupted use of the tracks, property and facilities of Railroad, its lessees, licensees or others, unless specifically permitted under this License or specifically authorized in advance by the Railroad Representative.

10. Restoration of Railroad's Property. Licensee agrees that, at the conclusion of Licensee's Work, or upon the expiration or earlier termination of this License, whichever is first to occur, Licensee shall immediately restore the Property and any adjacent property owned by Railroad as nearly as possible to its original state and condition. In the event that Railroad authorizes the

Licensee to take down any fence of the Railroad or in any manner move or disturb any of the other property of Railroad in connection with Licensee's Work, then in that event Licensee shall, as soon as practicable (irrespective of whether Licensee's Work is concluded or this License has expired) and at Licensee's sole expense, restore such fence and other property to the same condition as existed before such fence was taken down or such other property was moved or disturbed.

11. Removal of Licensee's Personalty. Licensee agrees that any property, including without limitation, any and all tools, equipment or construction materials, whether belonging to Licensee or leased or hired thereby, that is brought onto the Property in connection with this License (collectively, "Licensee's Personalty") is done so at Licensee's sole and absolute risk. Within thirty (30) days of the termination of this License, Licensee shall, at Licensee's sole expense, remove Licensee's Personalty and restore any property affected by said removal (whether Railroad's or otherwise) as nearly as possible to its original state and condition. If Licensee fails to do the foregoing, Licensee's Personalty shall be deemed abandoned by Licensee and shall become the property of Railroad and Railroad, at its option, may perform the work of removal and restoration at the expense of Licensee. Railroad shall not be liable to Licensee, its lessors or vendors for any damage sustained thereby as a result of the removal of Licensee's Personalty hereunder by Railroad, nor shall such action prejudice or impair any right of action for damages or otherwise that Railroad may, at the time of such removal, have against Licensee.

12. Claims for Labor and Materials. Licensee shall fully pay for all materials joined or affixed to and labor performed upon the Property in connection with Licensee's work and shall not permit or suffer any mechanic's or materialman's lien of any kind or nature to be enforced against such Property for any work done or materials furnished thereon at the instance or request or on behalf of Licensee. Licensee shall promptly pay or discharge all taxes, charges and assessments levied upon, in respect to, or on account of, Licensee's Work, to prevent the same from becoming a charge or lien upon the Property, and so that the taxes, charges and assessments levied upon or in respect to such Property shall not be increased because of Licensee's Work or any improvement, appliance or fixture connected therewith placed thereupon, or on account of Licensee's interest or use therein. where such tax, charge or assessment may not be separately made or assessed to Licensee but shall be included in the assessment of the Property, then Licensee shall pay to Railroad an equitable proportion of such taxes, as reasonably determined by Railroad.

13. Indemnity. As to the Work to be done, or services to be performed by Solutia or its consultants, Solutia assumes responsibility for any liability for losses, expenses, damages, demands and claims in connection with or arising out of any injury or damage to property, sustained in connection with or to have arisen out of the actual performance of the Work hereunder. Solutia shall indemnify, defend and save harmless the land owner of the above-described Property from and against any and all claims, demands, actions, causes of action, suits, damages, expenses (including attorney's fees and experts' fees) directly resulting from any liability described in the preceding sentence. This indemnity does not cover any preexisting conditions on the Property, except to the extent that such condition is altered through the

negligent conduct or action of Solutia and/or its contractor while working on the above-described Property and thereby results in damage to the Property that would not have otherwise occurred.

14. Insurance. Licensee shall provide Railroad with a copy of its contractor's certificate of insurance. Railroad shall be named as an additional insured on Licensee's contractor's commercial general liability and commercial automobile liability policies.

15. Condition of the Property. Railroad makes no representation about the quality or regulatory status of materials to be excavated, removed, treated, probed, bored, or sampled or about the conditions at any excavation, removal, treatment, probe, bore, well or sample location.

16. Disclosure of Materials. If Licensee's Work results in the preparation of any report, analysis, or study (collectively, the "Materials") concerning the Property, any other property of Railroad and/or Railroad, Licensee shall provide Railroad with final copies of the Materials, at Railroad's expense.

17. Miscellaneous.

(a) Licensee shall not assign this License, in whole or in part, or any rights herein granted, without the express and prior written consent of Railroad, and it is agreed that any transfer or assignment or attempted transfer or assignment of this License or any of the rights herein granted, whether voluntary, by operation of law, or otherwise, without such consent in writing, shall be absolutely void and, at the option of Railroad, shall terminate this License. Subject to the foregoing, this License shall be binding upon and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors and assigns.

(b) This License sets forth the entire agreement between the parties. All prior conversations, negotiations or writings between the parties or their respective agents are merged into and superseded by this License. No amendment or modification of this License shall be binding or effective unless in writing and signed by the parties hereto.

(c) This License may be executed in two or more counterparts, each of which shall constitute an original.

(d) With respect to Licensee and its Business, Licensee and the signatory below represent and warrant, in particular, that Licensee and the signatory below have all necessary power and authority to execute and enter into this License and to perform the obligations hereunder.

(e) In no event shall this License be recorded by Licensee. However, either party may request the execution of a recordable memorandum of this License in a form reasonably acceptable to Railroad, and upon such a request, both parties shall act with reasonable diligence to prepare and execute such memorandum, and the recording and attorneys' fees with respect thereto will be borne by the party requesting the execution of such memorandum.

(f) The waiver by Railroad of the breach of any condition, covenant or agreement herein contained to be kept, observed and performed by Licensee shall in no way impair the right of Railroad to avail itself of any remedy for any subsequent breach thereof.

(g) This License shall be construed in accordance with and be governed by the laws of the State in which the Property is located, and no action may be brought by either party hereto concerning any matter, thing or dispute arising out of or relating to the terms, performance, nonperformance or otherwise of this License except in a court within the State in which the Property is located.

(h) If the application of any provision of this License is declared to be illegal, invalid or unenforceable under any circumstance for any reason whatsoever by a court of competent jurisdiction, such invalidity shall not affect the balance of the terms and provisions hereof or the application of the provision in question to other circumstances, all of which shall continue in full force and effect.

(i) For purposes of this License, all references herein to the Licensee shall include Licensee's contractors, subcontractors, officers, agents and employees, others acting under its or their authority, as well as U.S. EPA employees, contractors, agents, consultants, designees, representatives, and State of Illinois representatives ("Government Personnel").

(j) As used in this Section 9 and 13, "Railroad" includes other railroad companies using Railroad's property and their officers, agents, licensees, invitees, permittees, lessees, lessors, employees and any other person or entity acting by, through or on behalf of Railroad.

IN WITNESS WHEREOF, Railroad and Licensee have executed this License as of the day and year first above written, although as a matter of convenience it may be actually signed by the parties on another day.

SOLUTIA INC., a Delaware corporation

By: _____
D. Michael Light
Manager – Remedial Projects

TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS

By: _____
C.R. McQueen
Manager – Engineering Services & Administration

EXHIBIT B
LICENSEE'S WORK

Pursuant to a Unilateral Administrative Order ("UAO") issued to Licensee by the U.S. Environmental Protection Agency, Licensee is required to conduct certain removal actions to address the potential migration of contaminants caused by the overflow of waters from Dead Creek and its associated culverts. Under the terms of this UAO, Licensee will be required to make certain stormwater and drainage improvements, including the removal and replacement of the existing culverts at the intersection of the Terminal Railroad and Dead Creek, in Cahokia, Illinois.

- END OF EXHIBIT B -

EXHIBIT C TO RIGHT OF ENTRY LICENSE AGREEMENT - SAFETY INSTRUCTIONS

1. The Licensee shall keep the job site free from safety and health hazards and ensure that its employees are competent and adequately trained in all safety and health aspects of the job.
2. The Licensee shall have proper first aid supplies available on the job site so that prompt first aid services can be provided to any person that may be injured on the job site.
3. The Licensee shall promptly notify the Railroad of any U.S. Occupational Safety and Health Administration reportable injuries occurring to any person that may arise during the work performed on the job site.
4. The Licensee shall have a non-delegable duty to control its employees while they are on the job site or any other property of the Railroad to be certain they do not use, be under the influence of, or have in their possession any alcoholic beverage, drug, narcotic or other substance that may inhibit the safe performance of work by the employee.
5. The employees of the Licensee shall be suitably dressed to perform their duties safely and in a manner that will not interfere with their vision, hearing or free use of their hands or feet. Only waist length shirts with sleeves and trousers that cover the entire leg are to be worn. If flare-legged trousers are worn, the trouser bottoms must be tied to prevent catching. The employees should wear sturdy and protective work boots and at least the following protective equipment:
 - (a) Protective head gear that meets American National Standard-Z89.1-latest revision. It is suggested that all hardhats be affixed with Licensee's or subLicensee's company logo or name.
 - (b) Eye protection that meets American National Standard for occupational and educational eye and face protection, Z87.1-latest revision. Additional eye protection must be provided to meet specific job situations such as welding, grinding, burning, etc.; and
 - (c) Hearing protection which affords enough attenuation to give protection from noise levels that will be occurring on the job site.
6. All heavy equipment provided or leased by the Licensee shall be equipped with audible back-up warning devices.
7. If, in the opinion of the Railroad Representative, any of Licensee's or any of its subLicensee's equipment is unsafe for use on the Railroad's right-of-way, the Licensee, at the request of the Railroad Representative, shall remove such equipment from the Railroad's right-of-way.

EXHIBIT C TO RIGHT OF ENTRY LICENSE AGREEMENT - SAFETY INSTRUCTIONS

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2. The Licensee shall have proper first aid supplies available on the job site so that prompt first aid services can be provided to any person that may be injured on the job site.
3. The Licensee shall promptly notify the Railroad of any U.S. Occupational Safety and Health Administration reportable injuries occurring to any person that may arise during the work performed on the job site.
4. The Licensee shall have a non-delegable duty to control its employees while they are on the job site or any other property of the Railroad to be certain they do not use, be under the influence of, or have in their possession any alcoholic beverage, drug, narcotic or other substance that may inhibit the safe performance of work by the employee.
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